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REPORT OF THE INDUSTRIAL DEVELOPMENT BOARD ON THE WORK OF ITS THIRTIETH SESSION

(20-23 June 2005)

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For reasons of economy, this document has been printed in a limited number. Delegates are kindly requested to bring their copies of documents to meetings.

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Introduction

1. The report of the Industrial Development Board on the work of its thirtieth session is presented to the General Conference in accordance with Article 9.4 (c) of the Constitution. The summary records of the Board (IDB.30/SR.1-7), where the details of the proceedings are contained, form an integral part of the present report.

2. The following decisions of the Board, reproduced in annex I, are related to the work of the General Conference at its eleventh session:

IDB.30/Dec.3	Scale of assessments for the fiscal period 2006-2007
IDB.30/Dec.4	Working Capital Fund for the biennium 2006-2007
IDB.30/Dec.5	Security enhancements
IDB.30/Dec.6	Annex to the financial regulations
IDB.30/Dec.7	Programme and budgets, 2006-2007
IDB.30/Dec.9	UNIDO strategic long-term vision
IDB.30/Dec.10	Personnel matters
IDB.30/Dec.11	Recommendation of a candidate for the post of Director-General
IDB.30/Dec.12	Terms and conditions of appointment of the Director-General
IDB.30/Dec.13	Preparations for the eleventh session of the General Conference

I. ORGANIZATIONAL AND PROCEDURAL MATTERS

3. The thirtieth session of the Board was held at UNIDO Headquarters, Vienna International Centre, from 20 to 23 June 2005 (7 plenary meetings—see IDB.30/SR.1-7).

Participation

4. All 53 members of the Board were represented at the session: Algeria, Austria, Belgium, Bolivia, Brazil, Chile, China, Colombia, Côte d'Ivoire, Cuba, Denmark, Ecuador, Egypt, France, Germany, Ghana, Greece, Hungary, India, Indonesia, Iran (Islamic Republic of), Italy, Japan, Jordan, Kenya, Lesotho, Luxembourg, Mexico, Morocco, Netherlands, Nigeria, Norway, Pakistan, Philippines, Poland, Republic of Korea, Russian Federation, Saudi Arabia, Senegal, Slovakia, South Africa, Spain, Sudan, Switzerland, Syrian Arab Republic, Thailand, Tunisia, Turkey, Ukraine, United Kingdom of Great Britain and Northern Ireland, Uruguay, Venezuela (Bolivarian Republic of), Zimbabwe.

5. The following 49 Member States of UNIDO also participated in the session: Afghanistan, Albania, Angola, Argentina, Azerbaijan, Belarus, Belize, Bosnia and Herzegovina, Burkina Faso, Cape Verde, Congo, Costa Rica, Croatia, Cyprus, Czech Republic, Finland, Gabon, Guatemala, Guinea, Iraq, Ireland, Israel, Lebanon, Libyan Arab Jamahiriya, Lithuania, Madagascar, Malaysia, Mali, Malta, Mozambique, Namibia, Nicaragua, Oman, Panama, Paraguay, Peru, Portugal, Romania, Serbia and Montenegro, Sierra Leone, Slovenia, Sri Lanka, Sweden, The former Yugoslav Republic of Macedonia, Uganda, United Arab Emirates, United Republic of Tanzania, Viet Nam, Yemen.

6. Palestine participated as observer.

7. The Sovereign Military Order of Malta participated as observer.

8. The following United Nations specialized agencies were represented: International Atomic Energy Agency and World Trade Organization.

9. The following other intergovernmental organizations were represented: African Union, European Commission, Intergovernmental Institution for the Use of Micro-Alga Spirulina against malnutrition, International Centre for Genetic Engineering and Biotechnology, International Institute of Refrigeration, League of Arab States, Organization of the Islamic Conference, Organization of the Petroleum Exporting Countries.

10. The following non-governmental organizations were represented: AIESEC International, Association of Former United Nations Industry and Development Experts, Austrian Senior Experts Pool, Austro-Egyptian Chamber of Commerce, European Union of Public Relations, Institut Supérieur de Gestion, International Association ZNANIE, International Congress of Industrialists and Entrepreneurs, International Organization of Employers, Mountain Unlimited, Soroptimist International, World Association for Small & Medium Enterprises.

Opening of the session

11. The thirtieth session of the Board was declared open by the President of the twenty-eighth and twenty ninth sessions, Mr. O. Zniber (Morocco).

Officers of the session

12. In accordance with rule 23 of the rules of procedure, the Board elected by acclamation

Mr. T. Stelzer (Austria) as President; Mr. H. Bazoberry Otero (Bolivia), Mr. Wu Hailong (China) and Mr. J. Bylica (Poland) as Vice-Presidents; and Mr. E. Koffi (Côte d'Ivoire) as Rapporteur.

Agenda of the session

13. The Board adopted the following agenda:

1. Election of officers.
2. Adoption of the agenda.
3. Annual Report of the Director-General for 2004.
4. Report of the Programme and Budget Committee:
   (a) Interim report of the External Auditor, financial performance report and programme performance report for the biennium 2004-2005;
   (b) Financial situation of UNIDO;
   (c) Scale of assessments for apportionment of the regular budget expenses for the biennium 2006-2007;
   (d) Working Capital Fund for the biennium 2006-2007;
   (e) Appointment of an External Auditor;
   (f) Security enhancements and proposed new conference facilities;
   (g) Mobilization of financial resources;
   (h) Financial regulations.
5. Programme and budgets, 2006-2007.
6. Implementation of the medium-term programme framework, 2004-2007.
7. Implementation of the recommendations of the External Auditor.
8. Implementation of the Cooperation Agreement with the United Nations Development Programme.
9. Medium-term programme framework, 2006-2009.
10. UNIDO strategic long-term vision.
11. Activities of the Joint Inspection Unit.
12. Personnel matters.
13. Matters related to intergovernmental, non-governmental, governmental and other organizations.
14. Recommendation of a candidate for the post of Director-General.
15. Preparations for the eleventh session of the General Conference.
16. Provisional agenda and date of the thirty-first session.
17. Adoption of the report.

14. The Board adopted a proposal by the President to ensure the maximum utilization of available conference-servicing resources (see annex I, decision IDB.30/Dec.1, IDB.30/SR.1, paras. 65 and 66).

15. The Board decided to set up informal, in-session consultations with the aim of facilitating the drafting of decisions and entrusted Vice-President Mr. H. Bazoberry Otero (Bolivia) to chair those consultations (see IDB.30/SR.2, paras. 1 to 2).

16. In accordance with appendix B of the rules of procedure, the following were appointed as tellers: Mr. B. I. Svendsen (Norway), Mr. V. Omelyan (Ukraine) and Ms. M. Garcia de Perez (Venezuela (Bolivarian Republic of)).

II. ANNUAL REPORT OF THE DIRECTOR-GENERAL FOR 2004 (item 3)

17. Under item 3, the Board had before it the *Annual Report of UNIDO 2004*, including the programme performance report (IDB.30/2), the list of technical cooperation activities (IDB.30/2/Add.1), a report on the activities of the Office of the Comptroller General (IDB.30/21) and a report by the Office of the Comptroller General on the activities undertaken in 2004 (IDB.30/CRP.2). The debate on this item is reflected in summary records IDB.30/SR.1, paragraphs 36 to 64 and IDB.30/SR.2, paragraphs 3 to 54. At the proposal of the President, the Board took note of the documentation provided (IDB.30/SR.7, paras. 11 to 12).

III. REPORT OF THE PROGRAMME AND BUDGET COMMITTEE (items 4 (a) to (h)); IMPLEMENTATION OF THE RECOMMENDATIONS OF THE EXTERNAL AUDITOR (item 7)

18. The Board decided to discuss simultaneously item 4, including sub-items (a) to (h), and item 7. The debate on these items is reflected in summary records IDB.30/SR.2, paragraphs 55 to 88 and IDB.30/SR.3, paragraphs 14 to 26.

A. REPORT OF THE PROGRAMME AND BUDGET COMMITTEE

19. Under item 4, the Board had before it the report of the Programme and Budget Committee on the work of its twenty-first session (IDB.30/22).

i. Interim report of the External Auditor, financial performance report and programme performance report for the biennium 2004-2005

20. Under sub-item 4 (a), the Board had before it the interim report of the External Auditor on the accounts of the United Nations Industrial Development Organization for the financial period 2004-2005 (IDB.30/8), the interim financial performance report for the biennium 2004-2005 submitted by the Director-General (IDB.30/9) and the programme performance report for the biennium 2004-2005, which is included in the *Annual Report of UNIDO 2004* (IDB.30/2 and Add.1). At the proposal of the President, the Board took note of the documentation provided (IDB.30/SR.7, paras. 13 to 14).

ii. Financial situation of UNIDO

21. Under sub-item 4 (b), the Board had before it a report by the Director-General on the financial situation of UNIDO (IDB.30/13), a report by the Director-General on special accounts (IDB.30/10), updated information on the financial situation of UNIDO (IDB.30/CRP.8) and PBC conclusion 2005/7. The Board considered a draft decision submitted by the President (IDB.30/L.2) and adopted decision IDB.30/Dec.2 (see annex I).

iii. Scale of assessments for apportionment of the regular budget expenses for the biennium 2006-2007

22. Under sub-item 4 (c), the Board had before it a note by the Secretariat on scale of assessments for the fiscal period 2006-2007 (IDB.30/7) and PBC conclusion 2005/4. The Board considered a draft decision submitted by the President (IDB.30/L.3) and adopted decision IDB.30/Dec.3 (see annex I).

iv. Working Capital Fund for the biennium 2006-2007

23. Under sub-item 4 (d), the Board had before it proposals by the Director-General on the Working Capital Fund for the biennium 2006-2007 (IDB.30/3) and PBC conclusion 2005/5. The Board considered a draft decision submitted by the President (IDB.30/L.4) and adopted decision IDB.30/Dec.4 (see annex I).

v. Appointment of an External Auditor

24. Under sub-item 4 (e), the Board had before it five reports by the Director-General on candidatures for the appointment of an External Auditor (IDB.30/5, Add.1, Add.2, Add.3 and Add.4). At the proposal of the President, the Board took note of the documentation provided (IDB.30/SR.7, paras. 21 to 22).

vi. Security enhancements and proposed new conference facilities

25. Under sub-item 4 (f), the Board had before it a report by the Director-General on security enhancements at the Vienna International Centre (IDB.30/11), two proposals of the Director-General on supplementary estimates for the biennium 2004-2005 for security enhancements (IDB.30/12 and Add.1), one proposal of the Director-General on funding options for security enhancements (IDB.30/12/Add.2) and PBC conclusion 2005/6. The Board considered a draft decision submitted by the President (IDB.30/L.13) and adopted decision IDB.30/Dec.5 (see annex I).

vii. Mobilization of financial resources

26. Under sub-item 4 (g), the Board considered the information contained in the *Annual Report of UNIDO 2004* on the mobilization of financial resources (IDB.30/2, chapter VI). At the proposal of the President, the Board took note of the documentation provided (IDB.30/SR.7, paras. 23 to 24).

viii. Financial regulations

27. Under sub-item 4 (h), the Board had before it information submitted by the Secretariat on an amendment to the annex to the financial regulations (IDB.30/4) and PBC conclusion 2005/2. The Board considered a draft decision submitted by the President (IDB.30/L.5) and adopted decision IDB.30/Dec.6 (see annex I).

B. IMPLEMENTATION OF THE RECOMMENDATIONS OF THE EXTERNAL AUDITOR

28. Under item 7, the Board had before it the interim report of the External Auditor on the accounts of the United Nations Industrial Development Organization for the financial period 2004-2005 (IDB.30/8). At the proposal of the President, the Board took note of the documentation provided (IDB.30/SR.7, paras. 29 to 30).

IV. PROGRAMME AND BUDGETS, 2006-2007 (item 5)

29. Under item 5, the Board had before it proposals of the Director-General on programme and budgets, 2006-2007 (IDB.30/6), a report on the implementation of Programme and Budget Committee conclusion 2005/3 submitted by the Chairperson of the Committee, Ms. S. Noriega Urizar (Guatemala) (IDB.30/24) and PBC conclusion 2005/3. The debate on this item is reflected in summary record IDB.30/SR.4, paragraphs 45 to 56 and IDB.30/SR.7, paragraphs 57 to 64. The Board considered a draft decision submitted by the President (IDB.30/L.9) and adopted decision IDB.30/Dec.7 (see annex I).

V. IMPLEMENTATION OF THE MEDIUM-TERM PROGRAMME FRAMEWORK, 2004-2007 (item 6); MEDIUM-TERM PROGRAMME FRAMEWORK, 2006-2009 (item 9)

30. The Board decided to discuss simultaneously items 6 and 9. The debate on these items is reflected in summary records IDB.30/SR.4, paragraphs 57 to 82 and IDB.30/SR.5, paragraphs 1 to 14.

A. IMPLEMENTATION OF THE MEDIUM-TERM PROGRAMME FRAMEWORK, 2004-2007

31. Under item 6, the Board had before it a report by the Director-General on implementation of the medium-term programme framework, 2004-2007 (IDB.30/16), a note by the Secretariat on the status of the integrated programmes and country service frameworks (IDB.30/CRP.3) and a note by the Secretariat on the research programme (IDB.30/CRP.7). At the proposal of the President, the Board took note of the documentation provided (IDB.30/SR.7, paras. 27 to 28).

B. MEDIUM-TERM PROGRAMME FRAMEWORK, 2006-2009

32. Under item 9, the Board took note of the entry contained in the annotated agenda (IDB.30/SR.7, paras. 33 to 34). The Board considered a draft decision submitted by the President (IDB.30/L.11) and adopted decision IDB.30/Dec.8 (see annex I).

VI. IMPLEMENTATION OF THE COOPERATION AGREEMENT WITH THE UNITED NATIONS DEVELOPMENT PROGRAMME (item 8)

33. Under item 8, the Board had before it two progress reports by the Director-General on the implementation of the Cooperation Agreement with the United Nations Development Programme (IDB.30/17 and IDB.30/CRP.6). The debate on this item is reflected in summary record IDB.30/SR.5, paragraphs 15 to 53. At the proposal of the President, the Board took note of the documentation provided (IDB.30/SR.7, paras. 31 to 32).

VII. UNIDO STRATEGIC LONG-TERM VISION (item 10)

34. Under item 10, the Board had before it a report by the Director-General on the UNIDO strategic long-term vision statement (IDB.30/23). The debate on this item is reflected in summary record IDB.30/SR.5, paragraphs 59 to 96. The Board considered a draft decision submitted by the President (IDB.30/L.12) and adopted decision IDB.30/Dec.9 (see annex I).

VIII. ACTIVITIES OF THE JOINT INSPECTION UNIT (item 11)

35. Under item 11, the Board had before it a report by the Director-General on activities of the Joint Inspection Unit (IDB.30/14). The debate on this item is reflected in summary record IDB.30/SR.5, paragraphs 54 to 58. At the proposal of the President, the Board took note of the documentation provided (IDB.30/SR.7, paras. 37 to 38).

IX. PERSONNEL MATTERS (item 12)

36. Under item 12, the Board considered the information contained in the *Annual Report of UNIDO 2004* on personnel matters (IDB.30/2, appendix L), a report by the Director-General on personnel matters (IDB.30/15), two conference room papers entitled "List of staff of the UNIDO Secretariat" (IDB.30/CRP.4) and "Appeal cases currently before UNIDO's Joint Appeals Board (JAB) and the ILO Administrative Tribunal (ILOAT)" (IDB.30/CRP.9). The debate on the item is reflected in summary record IDB.30/SR.6, paragraphs 1 to 7. The Board considered a draft decision submitted by the President (IDB.30/L.6) and adopted decision IDB.30/Dec.10 (see annex I).

X. MATTERS RELATED TO INTERGOVERNMENTAL, NON-GOVERNMENTAL, GOVERNMENTAL AND OTHER ORGANIZATIONS (item 13)

37. Under item 13, the Board took note of the entry contained in the annotated agenda and the comments made by the President on this item (IDB.30/SR.7, paras. 41 to 42).

XI. RECOMMENDATION OF A CANDIDATE FOR THE POST OF DIRECTOR-GENERAL (item 14)

38. Under item 14, the Board had before it two notes by the Secretariat containing candidates for the post of Director-General (IDB.30/19 and Add.1) and a note by the Secretariat containing a draft contract for appointment of the Director-General (IDB.30/20). The public debate is reflected in summary record IDB.30/SR.3, paragraphs 1 to 13. The Board considered two draft decisions submitted by the President and adopted decisions IDB.30/Dec.11 and IDB.30/Dec.12 (see annex I).

XII. PREPARATIONS FOR THE ELEVENTH SESSION OF THE GENERAL CONFERENCE (item 15)

39. Under item 15, the Board had before it a report by the Director-General on preparations for the eleventh session of the General Conference (IDB.30/18). The debate on this item is reflected in summary record IDB.30/SR.6, paragraphs 9 to 10. The Board considered a draft decision submitted by the President (IDB.30/L.7) and adopted decision IDB.30/Dec.13 (see annex I).

XIII. PROVISIONAL AGENDA AND DATE OF THE THIRTY-FIRST SESSION (item 16)

40. Under item 16, the Board had before it a note by the Director-General on the provisional agenda and date of the thirty-first session (IDB.30/CRP.5). The debate on this item is reflected in summary record IDB.30/SR.6, paragraph 11. The Board considered a draft decision submitted by the President (IDB.30/L.8) and adopted decision IDB.30/Dec.14 (see annex I).

XIV. ADOPTION OF THE REPORT (item 17)

41. Under item 17, the Board considered the draft report (IDB.30/L.1) and adopted it as a whole with the understanding that the Rapporteur would be entrusted with the task of finalizing the report (see summary record IDB.30/SR.7, paras. 65 to 67).

XV. CLOSURE OF THE SESSION

42. On 23 June 2005, at 9.25 p.m., the Board closed its thirtieth session (see IDB.30/SR.7, paras. 68 to 70).

Annex I

DECISIONS ADOPTED BY THE BOARD AT ITS THIRTIETH SESSION

Decision No.	Title	Page
IDB.30/Dec.1	Utilization of available conference-servicing resources (IDB.30/SR.1, paras. 65 to 66)	9
IDB.30/Dec.2	Financial situation of UNIDO (IDB.30/SR.7, paras. 15 to 16)	9
IDB.30/Dec.3	Scale of assessments for the fiscal period 2006-2007 (IDB.30/SR.7, paras. 17 to 18)	9
IDB.30/Dec.4	Working Capital Fund for the biennium 2006-2007 (IDB.30/SR.7, paras. 19 to 20)	9
IDB.30/Dec.5	Security enhancements (IDB.30/SR.7, paras. 50 to 56)	9
IDB.30/Dec.6	Annex to the financial regulations (IDB.30/SR.7, paras. 25 to 26)	10
IDB.30/Dec.7	Programme and budgets, 2006-2007 (IDB.30/SR.7, paras. 57 to 64)	10
IDB.30/Dec.8	Medium-term programme framework, 2006-2009 (IDB.30/SR.7, paras. 33 to 34)	10
IDB.30/Dec.9	UNIDO strategic long-term vision (IDB.30/SR.7, paras. 35 to 36)	11
IDB.30/Dec.10	Personnel matters (IDB.30/SR.7, paras. 39 to 40)	11
IDB.30/Dec.11	Recommendation of a candidate for the post of Director-General (IDB.30/SR.3, paras. 10 to 11)	11
IDB.30/Dec.12	Terms and conditions of appointment of the Director-General (IDB.30/SR.3, paras. 12 to 13)	11
IDB.30/Dec.13	Preparations for the eleventh session of the General Conference (IDB.30/SR.7, paras. 43 to 44)	13
IDB.30/Dec.14	Provisional agenda and date of the thirty-first session (IDB.30/SR.7, paras. 45 to 49)	14

IDB.30/Dec.1 UTILIZATION OF AVAILABLE CONFERENCE-SERVICING RESOURCES

The Industrial Development Board, with the aim of utilizing the available conference-servicing resources to the maximum extent possible, decided to suspend with immediate effect rule 24 of its rules of procedure relating to the quorum, for the meetings of its thirtieth session only, provided no substantive decisions were taken at those meetings.

1st plenary meeting
20 June 2005

IDB.30/Dec.2 FINANCIAL SITUATION OF UNIDO

The Industrial Development Board:

(a) Took note of the information provided in document IDB.30/13;

(b) Approved the level of the operating reserve for the biennium 2006-2007 at €3.03 million, representing 15 per cent of the estimated operational budget expenditure for that biennium;

(c) Urged Member States and former Member States that had not yet paid their assessed contributions, including advances to the Working Capital Fund and prior years' arrears, to do so without delay;

(d) Requested the Director-General to pursue his efforts and contacts with Member States to effect the collection of arrears.

7th plenary meeting
23 June 2005

IDB.30/Dec.3 SCALE OF ASSESSMENTS FOR THE FISCAL PERIOD 2006-2007

The Industrial Development Board:

(a) Took note of document IDB.30/7;

(b) Recommended to the General Conference the establishment of a scale of assessments for the regular budget expenditures of UNIDO for the fiscal period 2006-2007, based on United Nations General Assembly resolution 58/1 B, adjusted to the membership of UNIDO on the understanding that new Members shall be assessed for the year in which they become Members on the basis of the United Nations scale of assessments, as applicable to UNIDO;

(c) Urged Member States to pay their assessed contributions for the 2006-2007 biennium in accordance with financial regulation 5.5 (b), which states that contributions and advances shall be due and payable in full within thirty days of the receipt of the communication of the Director-General, or as of the first day of the calendar year to which it relates, whichever is later;

(d) Called on Member States and former Member States that are in arrears to fulfil their constitutional obligations by paying their outstanding assessed contributions in full and without conditions as soon as possible, or to take advantage of payment plans to settle their arrears, in accordance with previous decisions by the governing bodies of UNIDO.

7th plenary meeting
23 June 2005

IDB.30/Dec.4 WORKING CAPITAL FUND FOR THE BIENNIUM 2006-2007

The Industrial Development Board:

(a) Took note of document IDB.30/3;

(b) Recommended to the General Conference that the level of the Working Capital Fund for the biennium 2006-2007 should remain at €7,423,030 and that the authorized purposes of the Fund for the biennium 2006-2007 should remain the same as for the biennium 2004-2005, i.e. as stipulated in decision GC.2/Dec.27, paragraph (b);

(c) Urged Member States to pay their outstanding assessed contributions as soon as possible to minimize the need to withdraw sums from the Working Capital Fund to meet shortfalls in the payment of assessed contributions.

7th plenary meeting
23 June 2005

IDB.30/Dec.5 SECURITY ENHANCEMENTS

The Industrial Development Board:

(a) Took note of the progress made in the implementation of security enhancements in phase I of the response to ensure compliance with headquarters minimum operating security standards at the Vienna International Centre, as reported in documents IDB.30/11 and PBC.21/CRP.4;

(b) Also took note of the information provided in documents IDB.30/12 and Add.1 concerning

supplementary estimates for the biennium 2004-2005 and in document IDB.30/12/Add.2 concerning funding options for security enhancements;

(c) Decided to approve the measures proposed under phase II of the same exercise, as approved by the United Nations General Assembly in resolution A/RES/59/276 and outlined in document IDB.30/11;

(d) Also decided to approve the additional project regarding window replacement, as reported in document IDB.30/11;

(e) Recommended to the General Conference the adoption of the supplementary estimates for 2004-2005, as presented in document IDB.30/12 for phase I, phase II and window replacement, amounting to €2,585,160. The remaining amount of €215,670 required for window replacement, as presented in document IDB.30/12/Add.1, shall be financed from savings achieved in the biennium 2004-2005;

(f) Took note of the establishment of a special account by the Director-General, as described in document IDB.30/12 for the purpose of financing UNIDO's share of the security enhancements.

7th plenary meeting
23 June 2005

IDB.30/Dec.6 ANNEX TO THE FINANCIAL REGULATIONS

The Industrial Development Board recommended that the General Conference approve the revised text of paragraph 5 of the annex to the financial regulations, as contained in the annex to document IDB.30/4.

7th plenary meeting
23 June 2005

IDB.30/Dec.7 PROGRAMME AND BUDGETS, 2006-2007

The Industrial Development Board:

(a) Having considered the programme and budgets for the biennium 2006-2007 as contained in document IDB.30/6;

(b) Recommended to the General Conference the approval of estimates of gross expenditures of €154,009,800 to be financed from assessed contributions in the amount of €150,785,600 and other income of €3,224,200;

(c) Requested the Director-General to submit to the next session of the General Conference revisions to document IDB.30/6 reflecting the above gross expenditures including one additional professional post to the current structure of the Office of the Comptroller General as well as other adjustments necessary, taking into account the need to allocate appropriate resources to major programmes C, D, E and F;

(d) Also recommended to the General Conference the approval of estimates of gross expenditures totalling €20,174,720 for the purpose of the operational budget for the biennium 2006-2007 to be financed from voluntary contributions in the amount of €19,859,520 and other income amounting to €315,200 as may be provided for in the financial regulations;

(e) Confirmed that the budget proposal for 2008-2009 will have a comparative basis to the approved amount of gross expenditures for 2006-2007 as referred in paragraph (b).

7th plenary meeting
23 June 2005

IDB.30/Dec.8 MEDIUM-TERM PROGRAMME FRAMEWORK, 2006-2009

The Industrial Development Board:

(a) Recognized that grave economic and social discrepancies persisted in many developing countries, including the Latin American and Caribbean region, which had adversely affected the standard of living of the people, hampering the achievement of the Millennium Development Goals;

(b) Recalled resolution GC.10/Res.8, entitled "Poverty reduction in developing countries, particularly in Latin America and the Caribbean in the context of sustainable development", which requested the Director-General to allocate resources to the extent possible to those initiatives and programmes in the region relevant to UNIDO's mandate in accordance with the agreed priorities of the Organization;

(c) Noted the relevant declarations and plans of action of Latin American and Caribbean Heads of States and Government emphasizing the need to promote the development of their region in order to achieve the Millennium Development Goals;

(d) Requested the UNIDO Secretariat to formulate and implement, in accordance with the agreed priorities of the Organization, during the biennium 2006-2007, a regional programme for Latin America and the Caribbean, to the extent possible, taking into

account lessons learned by the Organization with a view to creating synergies;

(e) Also requested the Director-General to report periodically to the Board on compliance with resolution GC.10/Res.8 and on implementation of the regional programme.

7th plenary meeting
23 June 2005

IDB.30/Dec.9 UNIDO STRATEGIC LONG-TERM VISION

The Industrial Development Board:

(a) Recalled General Conference resolution GC.10/Res.2 inviting the Director-General to develop a strategic long-term vision statement, possibly in time for its adoption by the next General Conference;

(b) Took note of the information provided in document GC.11/8-IDB.30/23, in particular the proposed strategic long-term vision statement prepared in consultation with Member States;

(c) Appreciated the contribution of the Director-General in preparing the proposed strategic long-term vision statement;

(d) Requested the Secretariat to continue consultations with Member States with a view to finalizing the strategic long-term vision statement;

(e) Invited the General Conference to consider, for the purpose of adoption, the strategic long-term vision statement so finalized.

7th plenary meeting
23 June 2005

IDB.30/Dec.10 PERSONNEL MATTERS

The Industrial Development Board:

(a) Took note of the information contained in document IDB.30/15;

(b) Noted the amendments made in pursuance of staff regulation 13.3 to schedule I and annex II of the staff regulations in order to bring them into conformity with the decision of the General Assembly set out in resolution 59/268;

(c) Further noted the amendments to staff rule 107.03 and appendices C, E, F and G to the staff rules;

(d) Recommended to the General Conference the following candidates for the election of two members and two alternate members of the UNIDO Staff Pension Committee for the biennium 2006-2007:

Members: Mr. Khaled El Mekwad (Egypt)
Mr. David Best (Switzerland)

Alternate Members: ..... (country)
..... (country)

7th plenary meeting
23 June 2005

IDB.30/Dec.11 RECOMMENDATION OF A CANDIDATE FOR THE POST OF DIRECTOR-GENERAL

The Industrial Development Board, acting in accordance with Article 11.2 of the Constitution, decided to recommend to the General Conference the appointment of Mr. Kandeh K. Yumkella as Director-General of UNIDO for a period of four years from 8 December 2005 or until the Director-General to be appointed at the thirteenth regular session of the General Conference assumes office, whichever is later.

3rd plenary meeting
21 June 2005

IDB.30/Dec.12 TERMS AND CONDITIONS OF APPOINTMENT OF THE DIRECTOR-GENERAL

The Industrial Development Board, further to its decision IDB.30/Dec.11, and acting in accordance with rule 103 of the rules of procedure of the General Conference, decided to recommend to the Conference for approval the contract annexed to the present decision, which establishes the terms and conditions of appointment of the Director-General, including the salary and emoluments attached to the office.

3rd plenary meeting
21 June 2005

Annex

DRAFT CONTRACT FOR APPOINTMENT OF THE DIRECTOR-GENERAL

THIS CONTRACT is made

between the United Nations Industrial Development Organization (hereinafter called the Organization) for the one part

and ..... (hereinafter called the Director-General) for the other part.

WHEREAS

The Director-General, upon recommendation of the Board, has been duly appointed by the Conference at its eleventh session held in December 2005,

IT IS HEREBY AGREED AS FOLLOWS:

1. Term of Office

The Director-General shall be appointed for a period of four years from the ..... day of ....., two thousand five (2005), or until the Director-General to be appointed at the thirteenth regular session of the General Conference assumes office, whichever is later.

2. Official Duty Station

The official duty station for the Director-General shall be Vienna, Austria.

3. Official Duties

In accordance with Article 11 of the Constitution of the Organization, the Director-General shall be the chief administrative officer of the Organization.

4. Privileges and Immunities

The Director-General shall enjoy all the privileges and immunities in keeping with his/her office as determined by the Constitution of the Organization, Article 21, and any relevant legal instruments already in force or to be concluded in the future.

5. Staff Regulations

The Director-General shall be subject to the Staff Regulations of the Organization, together with such amendments as may be made thereto, insofar as they are applicable to him/her.

6. Assessable Salary and Allowances

(a) The annual gross salary of the Director-General shall be US dollars two hundred and thirty-three thousand and six (233,006), corresponding to an annual net base salary equivalent to US dollars one hundred and fifty-four thousand six hundred and sixty-four (154,664) (dependency rate) or US dollars one hundred and thirty-seven thousand five hundred forty-three (137,543) (single rate) respectively. The gross and net base salary shall be adjusted whenever the General Assembly decides to adjust the gross and net base salary scales of staff in the Professional and higher categories;

(b) He/She shall receive post adjustment, allowances and benefits, including social security benefits, for which a staff member in the Professional category of the UNIDO Secretariat would be eligible under the Staff Regulations and Staff Rules of the Organization, provided the purpose of such emolument, allowance or benefit has not already been met by other provisions of the present contract;

(c) The Director-General shall receive a representation allowance of euros thirty thousand and thirty three (30,033) per annum, adjusted for the budgeted annual inflation rate, to meet his/her share of the obligations which the Organization incurs in the form of representation and hospitality expenditure;

(d) He/She shall receive a housing allowance amounting to euros forty-seven thousand and seventy (47,070) per annum adjusted for the budgeted annual inflation rate;

(e) The above salary, allowances and benefits to which the Director-General is entitled under this agreement shall be subject to adjustment by the Board, after consultations with the Director-General, to keep them in line with those of the executive heads of other specialized agencies within the common system of the United Nations.

7. Pension Arrangements[1]

Alternative A

The Director-General shall participate in the United Nations Joint Staff Pension Fund in accordance with the provisions of decision IDB.10/Dec.17 (d) of the Industrial Development Board. His/Her pensionable remuneration shall be determined and adjusted in accordance with the provisions of articles 54 (c) and (b) of the regulations and rules of the United Nations Joint Staff Pension Fund.

Alternative B

The Director-General shall not participate in the United Nations Joint Staff Pension Fund. Instead, he/she shall have an amount equal to 15.8 per cent of pensionable remuneration, corresponding to the Organization's contribution to the Pension Fund, paid as a supplement to his/her remuneration, in lieu of participation in the Pension Fund, in accordance with General Assembly resolution 47/203.

[1] Alternative A will be included in the contract if the elected Director-General becomes a participant in the United Nations Joint Staff Pension Fund. Alternative B will be applicable if he/she does not become a participant.

8. Currency of Payments

Payments will be effected in the currency applicable to staff in the Professional and higher categories serving at the official duty station Vienna, Austria.

9. Notice of Resignation

The Director-General may at any time give three months' notice of resignation in writing to the Board, which is authorized to accept his/her resignation on behalf of the General Conference, in which case, upon expiration of such period of notice, he she shall cease to be Director-General of the Organization and this contract shall terminate.

10. Entry into Force

This contract shall enter into force as of the ..... day of ..... 2005.

SIGNED this ..... day of ..... 2005 at Vienna.

(.....) (.....)
President of the Conference acting on behalf of the Organization — Director-General

IDB.30/Dec.13 PREPARATIONS FOR THE ELEVENTH SESSION OF THE GENERAL CONFERENCE

The Industrial Development Board:

(a) Took note of the information provided in document IDB.30/18;

(b) Adopted the following agenda for the eleventh session of the General Conference:

1. Opening of the session.
2. Election of officers.
3. Adoption of the agenda.
4. Organization of work.
5. Credentials of representatives to the Conference.
6. Elections to organs:
   (a) Industrial Development Board;
   (b) Programme and Budget Committee.
7. Annual reports of the Director-General on the activities of the Organization for 2003 and 2004.
8. Reports of the Industrial Development Board on the work of its twenty-eighth, twenty-ninth and thirtieth regular sessions.
9. Forum on industrial development issues.
10. Financial matters:
    (a) Scale of assessments of Member States;
    (b) Financial situation of UNIDO;
    (c) Working Capital Fund;
    (d) Supplementary estimates for the biennium 2004-2005 for security enhancements;
    (e) Appointment of an External Auditor;
    (f) Annex to the financial regulations.
11. Implementation of the medium-term programme framework, 2004-2007.
12. Medium-term programme framework, 2006-2009.
13. Strategic long-term vision statement.
14. Programme and budgets, 2006-2007.
15. Implementation of the Cooperation Agreement with the United Nations Development Programme.
16. UNIDO Staff Pension Committee.
17. Matters related to intergovernmental, non-governmental, governmental and other organizations.
18. Appointment of the Director-General.
19. Date and place of the twelfth session.
20. Closure of the session.

(c) Agrees to hold a forum on industrial development issues within the framework of the General Conference (provisional agenda, item 9);

(d) Recommends to the Conference that items 7 to 17 and item 19 of the provisional agenda be allocated to a main committee of the Conference;

(e) Recommends that, in the light of experience gained in the preparation of previous sessions of the Conference, the President of the thirtieth session of the Industrial Development Board conduct informal consultations for the preparation of the eleventh session of the Conference.

7th plenary meeting
23 June 2005

IDB.30/Dec.14 PROVISIONAL AGENDA AND DATE OF THE THIRTY-FIRST SESSION

The Industrial Development Board:

(a) Took note of the information contained in document IDB.30/CRP.5;

(b) Decided to approve the following provisional agenda for its thirty-first session:

1. Election of officers.
2. Adoption of the agenda.
3. Annual report of the Director-General for 2005 on the activities of the Organization.
4. Financial situation of UNIDO.
5. Implementation of the Cooperation Agreement with the United Nations Development Programme.
6. Implementation of the medium-term programme framework, 2006-2009, including South-South cooperation.
7. Activities of the Evaluation Group.
8. Activities of the Joint Inspection Unit.
9. Personnel matters [if required].
10. Matters related to intergovernmental, non-governmental, governmental and other organizations.
11. Provisional agenda and date of the thirty-second session.
12. Adoption of the report.

(c) Decided to hold its thirty-first session from 6 to 7 June 2006.

7th plenary meeting
23 June 2005

Annex II

DOCUMENTS SUBMITTED TO THE BOARD AT ITS THIRTIETH SESSION

Symbol	Agenda item	Title
IDB.30/1	2	Provisional agenda
IDB.30/1/Add.1	2	Annotated provisional agenda
IDB.30/2 PBC.21/2	3	*Annual Report of UNIDO 2004*
IDB.30/2/Add.1 PBC.21/2/Add.1	3	*Annual Report of UNIDO 2004*. List of technical cooperation activities
IDB.30/3 PBC.21/3	4 (d)	Working Capital Fund for the biennium 2006-2007. Proposals by the Director-General
IDB.30/4 PBC.21/4	4 (h)	Financial regulations. Amendment to the annex to the financial regulations. Submitted by the Secretariat
IDB.30/5 PBC.21/5	4 (e)	Appointment of an External Auditor. Candidatures for the appointment of an External Auditor. Report by the Director-General
IDB.30/5/Add.1 PBC.21/5/Add.1	4 (e)	Appointment of an External Auditor. Candidatures for the appointment of an External Auditor. Report by the Director-General. Addendum
IDB.30/5/Add.2 PBC.21/5/Add.2	4 (e)	Appointment of an External Auditor. Candidatures for the appointment of an External Auditor. Report by the Director-General. Addendum
IDB.30/5/Add.3	4 (e)	Appointment of an External Auditor. Candidatures for the appointment of an External Auditor. Addendum
IDB.30/5/Add.4	4 (e)	Appointment of an External Auditor. Candidatures for the appointment of an External Auditor. Addendum
IDB.30/6 PBC.21/6	5	Programme and budgets, 2006-2007. Proposals of the Director-General
IDB.30/7 PBC.21/7	4 (c)	Scale of assessments for apportionment of the regular budget expenses. Scale of assessments for the fiscal period 2006-2007. Note by the Secretariat
IDB.30/8 PBC.21/8	4 (a) and 7	Interim report of the External Auditor, financial performance report and programme performance report for the biennium 2004-2005. Implementation of the recommendations of the External Auditor. Interim report of the External Auditor on the accounts of the United Nations Industrial Development Organization for the financial period 2004-2005
IDB.30/9 PBC.21/9	4 (a)	Performance report and programme performance report for the biennium 2004-2005. Interim financial performance report for the biennium 2004-2005. Submitted by the Director-General
IDB.30/10 PBC.21/10 GC.11/5	4 (b)	Financial situation of UNIDO. Special accounts. Report by the Director-General
IDB.30/11 PBC.21/11	4 (f)	Security enhancements and proposed new conference facilities. Security enhancements at the Vienna International Centre. Report by the Director-General

Symbol	Agenda item	Title
IDB.30/12 PBC.21/12	4 (f)	Security enhancements and proposed new conference facilities. Supplementary estimates for the biennium 2004-2005 for security enhancements. Proposal of the Director-General
IDB.30/12/Add.1 PBC.21/12/Add.1	4 (f)	Security enhancements and proposed new conference facilities. Supplementary estimates for the biennium 2004-2005 for security enhancements. Addendum
IDB.30/12/Add.2	4 (f)	Security enhancements and proposed new conference facilities. Funding options for security enhancements. Addendum
IDB.30/13 PBC.21/13	4 (b)	Financial situation of UNIDO. Report by the Director-General
IDB.30/14	11	Activities of the Joint Inspection Unit. Report by the Director-General
IDB.30/15	12	Personnel matters. Report by the Director-General
IDB.30/16 GC.11/6	6	Implementation of the medium-term programme framework, 2004-2007. Report by the Director-General
IDB.30/17 GC.11/7	8	Implementation of the Cooperation Agreement with the United Nations Development Programme. Progress report by the Director-General
IDB.30/18	15	Preparations for the eleventh session of the General Conference. Report by Director-General
IDB.30/19	14	Recommendation of a candidate for the post of Director-General. Candidat for the post of Director-General. Note by the Secretariat
IDB.30/19/Corr.1	14	Recommendation of a candidate for the post of Director-General. Candidat for the post of Director-General. Note by the Secretariat. Corrigendum [Russian only]
IDB.30/19/Add.1	14	Recommendation of a candidate for the post of Director-General. Candidat for the post of Director-General. Note by the Secretariat. Addendum
IDB.30/20	14	Recommendation of a candidate for the post of Director-General. Draft contract for appointment of the Director-General. Note by the Secretariat
IDB.30/21	3	Annual Report of the Director-General for 2004. Report on activities of the Office of the Comptroller General. Note by the Director-General
IDB.30/22	4	Report of the Programme and Budget Committee on the work of its twenty-first session (10-12 May 2005)
IDB.30/23 GC.11/8	10	UNIDO strategic long-term vision. UNIDO strategic long-term vision statement. Report by the Director-General
IDB.30/24	5	Programme and budgets, 2006-2007. Implementation of Programme and Budget Committee conclusion 2005/3. Report of the Chairperson, Program and Budget Committee (Ms. Sandra Noriega Urizar, Guatemala)
		Conference room papers
IDB.30/CRP.1	2	Adoption of the agenda. List of documents
IDB.30/CRP.2	3	Annual Report of the Director-General for 2004. Report by the Office of th Comptroller General on activities undertaken in 2004. Note by the Secretar

Symbol	Agenda item	Title
IDB.30/CRP.3	6	Implementation of the medium-term programme framework, 2004-2007. Status of the integrated programmes and country service frameworks. Note by the Secretariat
IDB.30/CRP.4	12	Personnel matters. List of staff of the UNIDO Secretariat. Submitted by the Secretariat
IDB.30/CRP.5	16	Provisional agenda and date of the thirty-first session. Note by the Director-General
IDB.30/CRP.6	8	Implementation of the Cooperation Agreement with the United Nations Development Programme. Progress report by the Director-General
IDB.30/CRP.7	6	Implementation of the medium-term programme framework, 2004-2007. Research programme. Note by the Secretariat
IDB.30/CRP.8	4 (b)	Financial situation of UNIDO. Note by the Secretariat
IDB.30/CRP.9	12	Appeal cases currently before UNIDO's Joint Appeals Board (JAB) and the ILO Administrative Tribunal (ILOAT)
IDB.30/CRP.10	-	List of participants